

EXHIBIT 1

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION
13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2015

OR

☐ **TRANSITION REPORT PURSUANT TO
SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number: 1-8610

AT&T INC.

Incorporated under the laws of the State of Delaware
I.R.S. Employer Identification Number 43-1301883

208 S. Akard St., Dallas, Texas, 75202
Telephone Number 210-821-4105

Securities registered pursuant to Section 12(b) of the Act: (See attached Schedule A)

Securities registered pursuant to Section 12(g) of the Act: None.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes [X] No []

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes [] No [X]

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No []

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No []

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [X]

Accelerated filer []

Non-accelerated filer []

Smaller reporting company []

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes [] No [X]

Based on the closing price of \$35.52 per share on June 30, 2015, the aggregate market value of our voting and non-voting common stock held by non-affiliates was \$184 billion.

At February 10, 2016, common shares outstanding were 6,151,208,898.

PART I

ITEM 1. BUSINESS

GENERAL

AT&T Inc. ("AT&T," "we" or the "Company") is a holding company incorporated under the laws of the State of Delaware in 1983 and has its principal executive offices at 208 S. Akard St., Dallas, Texas, 75202 (telephone number 210-821-4105). We maintain an Internet website at www.att.com. (This website address is for information only and is not intended to be an active link or to incorporate any website information into this document.) We make available, free of charge, on our website our annual report on Form 10-K, our quarterly reports on Form 10-Q, current reports on Form 8-K and all amendments to those reports as soon as reasonably practicable after such reports are electronically filed with, or furnished to, the Securities and Exchange Commission (SEC). We also make available on that website, and in print, if any stockholder or other person so requests, our "Code of Ethics" applicable to all employees and Directors, our "Corporate Governance Guidelines," and the charters for all committees of our Board of Directors, including Audit, Human Resources and Corporate Governance and Nominating. Any changes to our Code of Ethics or waiver of our Code of Ethics for senior financial officers, executive officers or Directors will be posted on that website.

History

AT&T, formerly known as SBC Communications Inc. (SBC), was formed as one of several regional holding companies created to hold AT&T Corp.'s (ATTC) local telephone companies. On January 1, 1984, we were spun-off from ATTC pursuant to an anti-trust consent decree, becoming an independent publicly-traded telecommunications services provider. At formation, we primarily operated in five southwestern states. Our subsidiaries merged with Pacific Telesis Group in 1997, Southern New England Telecommunications Corporation in 1998 and Ameritech Corporation in 1999, thereby expanding our wireline operations as the incumbent local exchange carrier (ILEC) into a total of 13 states. In November 2005, one of our subsidiaries merged with ATTC, creating one of the world's leading telecommunications providers. In connection with the merger, we changed the name of our company from "SBC Communications Inc." to "AT&T Inc." In December 2006, one of our subsidiaries merged with BellSouth Corporation (BellSouth) making us the ILEC in an additional nine states. With the BellSouth acquisition, we also acquired BellSouth's 40 percent economic interest in AT&T Mobility LLC (AT&T Mobility), formerly Cingular Wireless LLC, resulting in 100 percent ownership of AT&T Mobility. In 2014, we completed the acquisition of wireless provider Leap Wireless International, Inc. (Leap) and sold our ILEC operations in Connecticut, which we had previously acquired in 1998. In 2015, we completed acquisitions of wireless properties in Mexico and DIRECTV, a leading provider of digital television entertainment services in both the United States and Latin America. Our services and products are marketed under the AT&T, Cricket, DIRECTV, SKY, Iusacell, Unefon and Nextel Mexico brand names.

Scope

We are a leading provider of communications and digital entertainment services in the United States and the world. We offer our services and products to consumers in the U.S., Mexico and Latin America and to businesses and other providers of telecommunications services worldwide. We also own and operate three regional sports networks, and retain non-controlling interests in another regional sports network and a network dedicated to game-related programming as well as Internet interactive game playing.

The services and products that we offer vary by market, and include: wireless communications, data/broadband and Internet services, digital video services, local and long-distance telephone services, telecommunications equipment, managed networking, and wholesale services. In conjunction with our July 24, 2015 acquisition of DIRECTV, we re-organized our operating subsidiaries as follows, corresponding to our operating segments for financial reporting purposes:

- Business Solutions business units provide services to business, governmental and wholesale customers and individual subscribers who purchase wireless services through employer-sponsored plans. We provide advanced IP-based services including Virtual Private Networks (VPN), Ethernet-related products and broadband, collectively referred to as strategic business services, as well as traditional data and voice products. We utilize our wireless and wired network and are marketed to provide a complete communications solution to our business customers.
- Entertainment Group business units provide video, internet and voice communication services to residential customers located in the U.S. or in U.S. territories. We utilize our copper and IP-based (referred to as "wired" or "wireline") network and/or our satellite technology.
- Consumer Mobility business units provide nationwide wireless service to consumers, and wireless wholesale and resale subscribers located in the U.S. or in U.S. territories. We utilize our U.S. wireless network to provide voice and data services, including high speed internet, video entertainment and home monitoring services.

- International business units provide entertainment services in Latin America and wireless services in Mexico. Video entertainment services are provided to primarily residential customers using satellite technology. We utilize our regional and national networks in Mexico to provide consumer and business customers with wireless data and voice communication services.

Our Corporate and Other information includes unallocated corporate expenses, operations that are no longer integral to our operations or which we no longer actively market, our portion of results from our equity investments and impacts from corporate-wide decisions for which the individual operating segments are not being evaluated.

With continuing advances in technology and in response to changing demands from our customers, in recent years we have focused on providing broadband, video and voice services. In 2015, we purchased DIRECTV to expand our involvement in the digital entertainment space. The nationwide reach of DIRECTV and superior content-owner relationships significantly improves the economics and expands the geographic reach of our pre-existing AT&T U-verse[®] video service. We also purchased wireless operations in Mexico, moving quickly to build a world-class mobile business in a country with a strong economic outlook, a growing middle class and close trade, cultural and geographic ties to the U.S. These acquisitions and our continued investment in a premier network experience make our customers' lives more convenient and productive and foster competition and further innovation in the communications and entertainment industry. In 2016, we plan to focus on the areas discussed below.

Wireless

AT&T Mobility began operations in October 2000 as a joint venture between us and BellSouth and, in 2004, acquired AT&T Wireless Services, Inc. Upon our acquisition of BellSouth in 2006, AT&T Mobility became a wholly-owned subsidiary.

In the United States, we now cover all major metropolitan areas and more than 300 million people with our LTE technology. We also provide 4G coverage using another technology (HSPA+), and when combined with our upgraded backhaul network, we are able to enhance our network capabilities and provide superior mobile broadband speeds for data and video services. Our wireless network also relies on other GSM digital transmission technologies for 3G and 2G data communications. As of December 31, 2015, we served more than 128 million subscribers.

As the wireless industry continues to mature, we believe that future wireless growth will increasingly depend on our ability to offer innovative video and data services and a wireless network that has sufficient spectrum and capacity to support these innovations. We continue to face significant spectrum and capacity constraints on our wireless network in certain markets. We expect such constraints to increase and expand to additional markets in the coming years. While we are continuing to invest significant capital in expanding our network capacity, our capacity constraints could affect the quality of existing voice and data services and our ability to launch new, advanced wireless broadband services, unless we are able to obtain more spectrum. Any long-term spectrum solution will require that the FCC make additional spectrum available to the wireless industry to meet the expanding needs of our subscribers. We will continue to attempt to address spectrum and capacity constraints on a market-by-market basis. To that end, we submitted winning bids for 251 Advanced Wireless Service (AWS) spectrum licenses for a near-nationwide contiguous block of high-quality AWS spectrum in the AWS-3 Auction (FCC Auction 97). The FCC announced that the 600 MHz Auction (Auction 1000) is scheduled to begin on March 29, 2016.

Also as part of our efforts to improve our network performance and help address the need for additional spectrum capacity, we are redeploying spectrum currently used for basic 2G services to support more advanced mobile Internet services on our 3G and 4G networks. We are managing this process consistent with previous network upgrades and are transitioning customers on a market-by-market basis from 2G networks to our more advanced 3G and 4G networks. We expect to fully discontinue service on our 2G networks by approximately January 1, 2017. As of December 31, 2015, about 1 percent of AT&T's postpaid subscribers used handsets only capable of using 2G services. We do not expect this transition to have a material impact on our operating results.

Business Solutions

We expect to continue to strengthen the reach and sophistication of our network facilities and our ability to offer a variety of communications services, both fixed and mobile, to businesses, governmental and wholesale customers worldwide.

Internet Protocol Technology

IP is generally used to describe the transmission of data, which can include voice (called voice over IP or VoIP), using a software-based technology rather than a traditional wire and physical switch-based telephone network. A company using this technology can provide voice and data services at a lower cost because this technology uses bandwidth more efficiently than a traditional network. Using this technology also presents growth opportunities especially in providing data and video services to both fixed locations and mobile devices. To take advantage of both these growth and cost-savings opportunities, we have encouraged the migration of wireline customers in our current 21-state ILEC service area to services using IP, and expect to continue this transition through at least 2020.

CONSUMER MOBILITY

This segment consists of AT&T Mobility operations that provide wireless services to consumers, and wireless wholesale and resale subscribers located in the U.S. or U.S. territories. Wireless services include data and voice services, including long-distance service and roaming services. Roaming services enable our subscribers to utilize other carriers' networks when they are "roaming" outside our network footprint. The Consumer Mobility segment provided approximately 24% of 2015 total segment operating revenues and 35% of our 2015 total segment contribution. We classify our subscribers as either postpaid, prepaid, connected device or reseller. At December 31, 2015, we served nearly 55.0 million Consumer Mobility subscribers, including 28.8 million postpaid, 11.5 million prepaid, 13.7 million reseller and 929,000 connected devices. We divide our revenue into the following categories: postpaid wireless, prepaid wireless, other services, and equipment.

Postpaid Wireless – We offer a comprehensive range of high-quality nationwide wireless voice and data communications services in a variety of pricing plans. Wireless data services continue to be a growing area of Consumer Mobility's business, representing an increasing share of overall subscriber revenue. Subscribers continue to upgrade their handsets to more advanced integrated devices, contributing to growth from wireless data services. We offer Mobile Share plans which allow sharing of voice, text and data across multiple devices, AT&T Next, a program allowing subscribers to more frequently upgrade handsets using an installment payment plan and in January 2015 began offering Rollover Data on Mobile Share plans, which allows unused shareable plan data to be rolled over and used within the next month. Such offerings are intended to encourage existing subscribers to upgrade their current services and/or add connected devices, attract subscribers from other providers, and minimize subscriber churn. Participation in these plans continues to increase. Customers in our "connected device" category (e.g., users of session-based tablets, monitoring devices and automobile systems) purchase those devices from third-party suppliers that buy data access supported by our network. We continue to upgrade our network and coordinate with equipment manufacturers and applications developers in order to further capitalize on the continued growth in the demand for wireless data services.

During 2015, we offered postpaid wireless service under two alternatives: (1) for subscribers purchasing a device on installments under the AT&T Next program or for those that bring their own device, no annual service contract is signed but the device must be paid in full if the customer chooses to drop their service from AT&T; and (2) for subscribers who purchase their equipment under the traditional device subsidy model, service contracts are for two year periods with an increasing portion of these subscribers receiving unlimited voice and texting services in conjunction with data services purchased through our Mobile Share plans. Market maturity, competition and the migration of subscribers to employer plans offered by our Business Solutions segment have slowed the growth in subscribers.

Prepaid Wireless – We offer nationwide wireless voice and data communications to certain customers who prefer to pay in advance. Services are offered under the Cricket or Go Phone brands and are typically monthly prepaid services.

Other Service – Other services includes consulting, revenues from advertising, application and co-location services as well as fees we charge to other carriers for providing roaming services to their customers when their customers utilize our network.

Equipment – We sell a wide variety of handsets, wirelessly enabled computers (e.g., tablets and notebooks) and personal computer wireless data cards manufactured by various suppliers for use with our voice and data services. We sell through our own company-owned stores, agents or third-party retail stores. Like other wireless service providers, we have historically provided postpaid contract subscribers substantial equipment subsidies to initiate, renew or upgrade service. To reduce these subsidies and provide our customers with more service options, in 2014, we launched our AT&T Next program, which allows customers to buy handsets on an installment basis in exchange for discounted service charges, along with other benefits, and we also offer new customers the opportunity to bring their own device. Due to the popularity of this program, in late December 2015, we announced that we would no longer offer subsidized equipment. Accordingly, we expect equipment revenues to continue to increase in 2016 along with a proportionate decline in service revenues. We also sell accessories, such as carrying cases, hands-free devices, and other items, to consumers, as well as to agents and third-party distributors for resale.

Additional information on our Consumer Mobility segment is contained in the Annual Report in the "Operating Environment Overview" section beginning on page 22 and is incorporated herein by reference pursuant to General Instruction G(2).

Management's Discussion and Analysis of Financial Condition and Results of Operations

Dollars in millions except per share amounts

RESULTS OF OPERATIONS

For ease of reading, AT&T Inc. is referred to as "we," "AT&T" or the "Company" throughout this document, and the names of the particular subsidiaries and affiliates providing the services generally have been omitted. **AT&T is a holding company whose subsidiaries and affiliates operate in the communications and digital entertainment services industry.** Our subsidiaries and affiliates provide services and equipment that deliver voice, video and broadband services both domestically and internationally. During 2015, we completed our acquisitions of DIRECTV and wireless properties in Mexico and have included the results of those operations for the period from acquisition through December 31, 2015. In accordance with U.S. generally accepted accounting principles (GAAP), operating results from DIRECTV prior to the acquisition are excluded. You should read this discussion in conjunction with the consolidated financial statements and accompanying notes. A reference to a "Note" in this section refers to the accompanying Notes to Consolidated Financial Statements. In the tables throughout this section, percentage increases and decreases that are not considered meaningful are denoted with a dash. Certain amounts have been reclassified to conform to the current period's presentation, including our change in accounting for customer fulfillment costs (see Note 1).

Consolidated Results Our financial results are summarized in the table below. We then discuss factors affecting our overall results for the past three years. These factors are discussed in more detail in our "Segment Results" section. We also discuss our expected revenue and expense trends for 2016 in the "Operating Environment and Trends of the Business" section.

	2015	2014	2013	Percent Change	
				2015 vs. 2014	2014 vs. 2013
Operating Revenues					
Service	\$ 131,677	\$ 118,437	\$ 119,252	11.2%	(0.7)%
Equipment	15,124	14,010	9,500	8.0	47.5
Total Operating Revenues	146,801	132,447	128,752	10.8	2.9
Operating expenses					
Cost of services and sales					
Equipment	19,268	18,946	16,644	1.7	13.8
Broadcast, programming and operations	11,996	4,075	3,308	-	23.2
Other cost of services	35,782	37,124	31,239	(3.6)	18.8
Selling, general and administrative	32,954	39,697	28,414	(17.0)	39.7
Abandonment of network assets	-	2,120	-	-	-
Depreciation and amortization	22,016	18,273	18,395	20.5	(0.7)
Total Operating Expenses	122,016	120,235	98,000	1.5	22.7
Operating Income	24,785	12,212	30,752	-	(60.3)
Interest expense	4,120	3,613	3,940	14.0	(8.3)
Equity in net income of affiliates	79	175	642	(54.9)	(72.7)
Other income (expense) – net	(52)	1,581	596	-	-
Income Before Income Taxes	20,692	10,355	28,050	99.8	(63.1)
Net Income	13,687	6,736	18,722	-	(64.0)
Net Income Attributable to AT&T	\$ 13,345	\$ 6,442	\$ 18,418	-	(65.0)%

Overview

Operating revenues increased \$14,354, or 10.8% in 2015 and increased \$3,695, or 2.9% in 2014.

Service revenues increased \$13,240, or 11.2%, in 2015 and decreased \$815, or 0.7%, in 2014. The increase in 2015 was primarily due to our acquisition of DIRECTV, our new wireless operations in Mexico, and gains in fixed strategic business services and AT&T U-verse® (U-verse) services. The decrease in 2014 was primarily due to customers choosing to purchase devices through installment payment agreements which entitles them to a lower service rate in our wireless Mobile Share plans, continued declines in our legacy wireline voice and data products and the October 2014 sale of our Connecticut operations, partially offset by strong revenues from U-verse, fixed strategic business services and revenues from the March 2014 acquisition of Leap Wireless International, Inc. (Leap).

Management's Discussion and Analysis of Financial Condition and Results of Operations (continued)

Dollars in millions except per share amounts

The following table highlights other key measures of performance for AT&T Mobility:

(in 000s)	2015	2014	2013	Percent Change	
				2015 vs. 2014	2014 vs. 2013
Wireless Subscribers ¹					
Postpaid smartphones	58,073	56,644	51,874	2.5%	9.2%
Postpaid feature phones and data-centric devices	19,032	19,126	20,764	(0.5)	(7.9)
Postpaid	77,105	75,770	72,638	1.8	4.3
Prepaid ⁵	11,548	9,965	5,817	15.9	71.3
Reseller	13,774	13,855	14,028	(0.6)	(1.2)
Connected devices ²	26,213	20,964	17,893	25.0	17.2
Total Wireless Subscribers	128,640	120,554	110,376	6.7	9.2
Net Additions ³					
Postpaid	1,666	3,290	1,776	(49.4)	85.2
Prepaid ⁵	1,364	(311)	377	-	-
Branded Net Adds	3,030	2,979	2,153	1.7	38.4
Reseller	(155)	(346)	(1,074)	55.2	67.8
Connected devices ²	5,184	2,975	1,642	74.3	81.2
Net Subscriber Additions	8,059	5,608	2,721	43.7	-
Branded smartphones	67,200	62,443	54,262	7.6	15.1
Mobile Share connections	61,275	52,370	21,143	17.0	-
Smartphones under our installment program at end of period	26,670	15,308	1,488	74.2	-
Smartphones sold under our installment program during period	17,320	15,268	1,540	13.4%	-
Total Churn ⁴	1.39%	1.45%	1.37%	(6) BP	8 BP
Postpaid Churn ⁴	1.09%	1.04%	1.06%	5 BP	(2) BP

¹ Represents 100% of AT&T Mobility wireless subscribers.² Includes data-centric devices such as session-based tablets, monitoring devices and automobile systems. Excludes postpaid tablets.³ Excludes acquisition-related additions during the period.⁴ Calculated by dividing the aggregate number of wireless subscribers who canceled service during a period divided by the total number of wireless subscribers at the beginning of that period. The churn rate for the period is equal to the average of the churn rate for each month of that period.⁵ In 2015, session-based tablets were reclassified to connected devices. Prior period amounts reflect the current period presentation.

Operating income increased \$1,903, or 10.6%, in 2015 and decreased \$242, or 1.3%, in 2014. The operating income margin of AT&T Mobility was 26.9% in 2015, compared to 24.2% in 2014 and 26.0% in 2013. AT&T Mobility's EBITDA margin was 37.9% in 2015, compared to 34.7% in 2014 and 36.3% in 2013. AT&T Mobility's EBITDA service margin was 46.7% in 2015, compared to 42.0% in 2014 and 41.3% in 2013. (EBITDA service margin is operating income before depreciation and amortization, divided by total service revenues.)

Subscriber Relationships

As the wireless industry continues to mature, we believe that future wireless growth will increasingly depend on our ability to offer innovative services, plans and devices and a wireless network that has sufficient spectrum and capacity to support these innovations on as broad a geographic basis as possible. To attract and retain subscribers in a maturing market, we have launched a wide variety of plans, including Mobile Share and AT&T Next.

The consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles. The integrity and objectivity of the data in these financial statements, including estimates and judgments relating to matters not concluded by year end, are the responsibility of management, as is all other information included in the Annual Report, unless otherwise indicated.

The financial statements of AT&T Inc. (AT&T) have been audited by Ernst & Young LLP, Independent Registered Public Accounting Firm. Management has made available to Ernst & Young LLP all of AT&T's financial records and related data, as well as the minutes of stockholders' and directors' meetings. Furthermore, management believes that all representations made to Ernst & Young LLP during its audit were valid and appropriate.

Management maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed by AT&T is recorded, processed, summarized, accumulated and communicated to its management, including its principal executive and principal financial officers, to allow timely decisions regarding required disclosure, and reported within the time periods specified by the Securities and Exchange Commission's rules and forms.

Management also seeks to ensure the objectivity and integrity of its financial data by the careful selection of its managers, by organizational arrangements that provide an appropriate division of responsibility and by communication programs aimed at ensuring that its policies, standards and managerial authorities are understood throughout the organization.

The Audit Committee of the Board of Directors meets periodically with management, the internal auditors and the independent auditors to review the manner in which they are performing their respective responsibilities and to discuss auditing, internal accounting controls and financial reporting matters. Both the internal auditors and the independent auditors periodically meet alone with the Audit Committee and have access to the Audit Committee at any time.

Assessment of Internal Control

The management of AT&T is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rule 13a-15(f) or 15d-15(f) under the Securities Exchange Act of 1934. AT&T's internal control system was designed to provide reasonable assurance to the company's management and Board of Directors regarding the preparation and fair presentation of published financial statements.

AT&T management assessed the effectiveness of the company's internal control over financial reporting as of December 31, 2015. In making this assessment, it used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control – Integrated Framework* (2013 framework). We have excluded from the scope of our assessment of internal control over financial reporting the operations and related assets of DIRECTV and Mexico wireless operations (Mexico), which we acquired in 2015. At December 31, 2015 and for the period from acquisition through December 31, 2015, total assets and operating revenues subject to DIRECTV's internal control over financial reporting represented 20.3% and 9.9% of AT&T's consolidated total assets and total revenues as of and for the year ended December 31, 2015. At December 31, 2015 and for the period from acquisition through December 31, 2015, total assets and operating revenues subject to Mexico's internal control over financial reporting represented 1.6% and 1.3% of AT&T's consolidated total assets and total revenues as of and for the year ended December 31, 2015. Based on its assessment, AT&T management believes that, as of December 31, 2015, the company's internal control over financial reporting is effective based on those criteria.

Ernst & Young LLP, the independent registered public accounting firm that audited the financial statements included in this Annual Report, has issued an attestation report on the company's internal control over financial reporting.

/s/ Randall Stephenson

Randall Stephenson

Chairman of the Board,

Chief Executive Officer and President

/s/ John J. Stephens

John J. Stephens

Senior Executive Vice President and

Chief Financial Officer

PRINCIPAL SUBSIDIARIES OF

AT&T INC., AS OF DECEMBER 31, 2015

2015 AT&T INC. REPORT TO STOCKHOLDERS

SECURITIES AND EXCHANGE COMMISSION ("SEC")

FORM 10-K filed February 18, 2016

<u>Legal Name</u>	<u>State of Incorporation/Formation</u>	<u>Conducts Business Under</u>
Illinois Bell Telephone Company	Illinois	AT&T Illinois; AT&T Wholesale
Indiana Bell Telephone Company, Incorporated	Indiana	AT&T Indiana; AT&T Wholesale
Michigan Bell Telephone Company	Michigan	AT&T Michigan; AT&T Wholesale
Nevada Bell Telephone Company	Nevada	AT&T Nevada; AT&T Wholesale
Pacific Bell Telephone Company	California	AT&T California; AT&T Wholesale; AT&T DataComm
SBC Internet Services, LLC	California	AT&T Internet Services
SBC Long Distance, LLC	Delaware	AT&T Long Distance
AT&T Teleholdings, Inc.	Delaware	AT&T Midwest; AT&T West; AT&T East
Southwestern Bell Telephone Company	Delaware	AT&T Arkansas; AT&T Kansas; AT&T Missouri; AT&T Oklahoma; AT&T Texas; AT&T Southwest; AT&T DataComm; AT&T Wholesale
The Ohio Bell Telephone Company	Ohio	AT&T Ohio; AT&T Wholesale
Wisconsin Bell, Inc.	Wisconsin	AT&T Wisconsin; AT&T Wholesale
AT&T Corp.	New York	AT&T Corp.; ACC Business; AT&T Wholesale; Lucky Dog Phone Co.; AT&T Business Solutions; AT&T Advanced Solutions; AT&T Diversified Group; AT&T Mobile and Business Solutions
AT&T Communications of New York, Inc.	New York	same
Teleport Communications America, LLC	Delaware	same
BellSouth, LLC	Georgia	AT&T South
BellSouth Telecommunications, LLC	Georgia	AT&T Alabama AT&T Florida AT&T Georgia AT&T Kentucky AT&T Louisiana AT&T Mississippi AT&T North Carolina AT&T South Carolina AT&T Tennessee AT&T Southeast
AT&T Mobility LLC	Delaware	AT&T Mobility